

**Senate Bill No. 800**

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Passed the Senate September 12, 2013

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*Secretary of the Senate*

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Passed the Assembly September 9, 2013

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2013, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 12739.61 of, and to add Part 6.8 (commencing with Section 12739.77) to Division 2 of, the Insurance Code, and to add Section 14005.277 to the Welfare and Institutions Code, relating to health.

## LEGISLATIVE COUNSEL'S DIGEST

SB 800, Lara. Health care coverage programs: transition.

Existing law creates various programs to provide health care services to persons who meet various eligibility requirements. These programs include the Healthy Families Program, the Access for Infants and Mothers Program, the County Health Initiative Matching Fund, the Major Risk Medical Insurance Program, and the Federal Temporary High Risk Pool, all administered by the Managed Risk Medical Insurance Board, and the Medi-Cal program administered by the State Department of Health Care Services. Existing law provides for the transition of specified enrollees of the Healthy Families Program to the Medi-Cal program, to the extent that those individuals are otherwise eligible. Existing law also provides that employees of the board whose functions are transferred to the Medi-Cal program as a result of that transition retain their positions, status, and rights. Existing law requires the board, beginning July 1, 2013, to cease the provision of health coverage through the Federal Temporary High Risk Pool, except as specified.

Existing law establishes the California Health Benefit Exchange (Exchange), and requires the Exchange to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and small employers by January 1, 2014. Existing law also requires the Exchange to undertake activities necessary to market and publicize the availability of health care coverage and federal subsidies through the Exchange and to undertake outreach and enrollment activities.

This bill would require the State Department of Health Care Services to provide the Exchange with specified contact information for individuals who are not enrolled in Medi-Cal but who are the parents or caretakers of children enrolled in the Healthy

Families Program or the Medi-Cal program, as specified, in order to assist the Exchange in conducting outreach to individuals potentially eligible for an insurance affordability program, as defined.

This bill would transfer to the Exchange civil service employees of the board who were assigned to the Federal Temporary High Risk Pool and would require that each transferred employee retain his or her status, position, and rights.

The bill would also require that, if the board is dissolved or terminated, all employees assigned to the other programs administered by the board be transferred to the State Department of Health Care Services and that each transferred employee retain his or her status, position, and rights. The bill would provide that any employee's reinstatement rights that would have applied to the board shall instead apply to the department. The bill would require the department, if employees of the board are transferred to the department, to prepare a report, as specified, and to submit that report to the fiscal and relevant policy committees of the Legislature by February 1 of the year following the year in which the employees are transferred, and to update that report, as specified.

*The people of the State of California do enact as follows:*

SECTION 1. Section 12739.61 of the Insurance Code is amended to read:

12739.61. (a) The board shall cease to provide coverage through the program on July 1, 2013, except as required by the contract between the board and the United States Department of Health and Human Services, and at that time shall cease to operate the program except as required to complete payments to, or payment reconciliations with, participating health plans or other contractors, process appeals, or conduct other necessary termination activities.

(b) Any permanent or probationary civil service employee who is employed by the board and assigned to the program and whose function ceases due to this section shall immediately be transferred to the California Health Benefit Exchange and shall retain his or her status, position, and rights pursuant to Section 19050.9 of the Government Code and the State Civil Service Act (Part 2

(commencing with Section 18500) and Part 2.6 (commencing with Section 19815) of Division 5 of Title 2 of the Government Code).

SEC. 2. Part 6.8 (commencing with Section 12739.77) is added to Division 2 of the Insurance Code, to read:

#### PART 6.8. PROGRAM TRANSFERS

12739.77. For the purposes of this part, the following terms have the following meanings:

- (a) “Board” means the Managed Risk Medical Insurance Board.
- (b) “Employee” means permanent or probationary civil service employee.

12739.78. (a) (1) If any statute dissolves or terminates the board, any employee of the board who, immediately prior to the effective date of the dissolution or termination of the board, was assigned to the Healthy Families Program (Part 6.2 (commencing with Section 12693)), the Access for Infants and Mothers Program (Part 6.3 (commencing with Section 12695)), the County Health Initiative Matching Fund (Part 6.4 (commencing with Section 12699.50)), or the Major Risk Medical Insurance Program (Part 6.5 (commencing with Section 12700)) shall be transferred to the State Department of Health Care Services and shall retain his or her status, position, and rights pursuant to Section 19050.9 of the Government Code and the State Civil Service Act (Part 2 (commencing with Section 18500) and Part 2.6 (commencing with Section 19815) of Division 5 of Title 2 of the Government Code).

(2) If employees are transferred to the State Department of Health Care Services pursuant to this subdivision, the department shall prepare a report on the transfer of employees, and, if applicable, any functions transferred to the department upon dissolution or termination of the board. The report shall, at a minimum, describe any assignment of new activities to transferred employees and provide workload justification for the position authority transferred pursuant to this subdivision. The department shall submit the report to the fiscal and relevant policy committees of the Legislature by February 1 of the year following the year in which employees are transferred, and shall update the report, if necessary, by February 1 of each of the two years following submission of the report. The report may be included with any

budget information submitted by the department to those committees.

(b) (1) If any statute dissolves or terminates the board, any employee of the board who, immediately prior to the effective date of the dissolution or termination of the board, was assigned to the Federal Temporary High Risk Pool (Part 6.6 (commencing with Section 12739.5) and Part 6.7 (commencing with Section 12739.70)) shall be transferred to the California Health Benefit Exchange and shall retain his or her status, position, and rights pursuant to Section 19050.9 of the Government Code and the State Civil Service Act (Part 2 (commencing with Section 18500) and Part 2.6 (commencing with Section 19815) of Division 5 of Title 2 of the Government Code).

(2) This subdivision shall not apply to any employee who has transferred to the California Health Benefit Exchange pursuant to subdivision (b) of Section 12739.61.

(c) If any statute dissolves or terminates the board, an employee's applicable reinstatement rights that would have applied to the board shall instead apply to the State Department of Health Care Services.

SEC. 3. Section 14005.277 is added to the Welfare and Institutions Code, to read:

14005.277. In order to assist the California Health Benefit Exchange, established pursuant to Title 22 (commencing with Section 100500) of the Government Code, to conduct outreach to individuals potentially eligible for an insurance affordability program, as defined in Section 15926, the department shall provide the California Health Benefit Exchange, or its designee, with the names, addresses, email addresses, telephone numbers, or other contact information, and written and spoken languages of individuals who are not enrolled in Medi-Cal but are the parents or caretakers of children enrolled in the Healthy Families Program or the Medi-Cal program pursuant to Section 14005.27.





Approved \_\_\_\_\_, 2013

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*Governor*